

Exhibit A



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October 2, 2017

VIA EMAIL to gregoire.delongchamps@st.com and andrew.mayo@st.com

Grégoire Barry Delongchamps, Esq.
ST Microelectronics Asia Pacific Pte. Ltd.
5A Serangoon North Avenue 5
554574 Singapore

Andrew Mayo, Esq.
STMicroelectronics, Inc.
750 Canyon Dr., Suite 300
Coppell, TX 75019-4009

Re: *CyWee Group Ltd. v. HTC Corp. and HTC America, Inc.*
Civil Action No. 17-cv-932 (U.S. District Court for the Western District of Washington)

Dear Grégoire and Andrew,

HTC Corporation and its affiliates, predecessors, successors, parents, subsidiaries, partners, employees, agents, heirs, and assigns (collectively, "HTC") hereby provide notice to ST Microelectronics Asia Pacific Pte. Ltd., STMicroelectronics, Inc., and any other entities that provided STM Products (defined below) to HTC (collectively, "STM") of the lawsuit entitled *CyWee Group Ltd. v. HTC Corporation and HTC America, Inc.*, Civil Action No. 17-cv-932, pending in the United States District Court for the Western District of Washington (the "Lawsuit"). For your convenience, I enclose a copy of both the original and amended complaints for patent infringement in the Lawsuit.

In the complaints, CyWee Group alleges that certain HTC devices infringe two U.S. patents related to calculating the movements and rotations of a machine using, in one patent, a six-axis motion sensor module, and in another patent, a nine-axis motion sensor module. See, e.g., Complaints at ¶¶ 19-169. HTC uses STM sensor hub chips ("STM Products"), including at least STM32F411CEY6TR, in a number of its devices, including in many of the devices accused in the Complaint, and the allegedly infringing functionality in accused HTC devices appears to be centered around functionality provided by STM Products.

On July 14, 2017, CyWee Group's outside counsel, Ari Rafilson, sent a letter to HTC that, among other things, acknowledged that the 2013 CyWee/STMicro license agreement includes a non-assertion clause covering License Products, as defined in the agreement:

License Product and Licensed Technology are defined in the agreement as follows:

“Licensed Product” is defined as “any ST product that is sold or distributed with the Licensed Technology.” License at 2.

“Licensed Technology” is defined as “the existing firmware described in Annex 1, the firmware resulting from . . . Annex 2 . . . and any firmware that will be provided by CyWee for future porting into additional ST products, all Updates and all Upgrades of the Licensed Technology.”

For your convenience, I enclose a copy of Mr. Rafilson’s July 14, 2017 letter.

In a follow-up letter sent on September 21, 2017, CyWee Group’s counsel further demanded information relating to the identification of products containing ST Micro components and licensed technology. For example, the letter demands information relating to the following:

Microcontroller: Devices including one or more CPUs along with memory, which are ultimately included in HTC Products, and which, when shipped with said products, include Sensor Fusion Technology and/or CyWee Licensed Technology.

Sensor Fusion Software: Software that combines data from at least an accelerometer and gyroscope to calculate orientation information.

ST Microcontroller: Microcontroller manufactured or sold by STMicroelectronics.

ST Micro: Any STMicroelectronics entity.

For your convenience, I also enclose a copy of the September 21, 2017 letter from CyWee Group’s counsel.

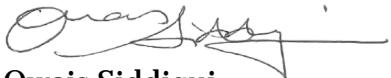
HTC requests, therefore, that STM defend, indemnify, and hold HTC harmless in the Lawsuit. STM’s obligations stem from, inter alia, the Terms and Conditions of HTC Corporation’s purchase of STM Products from STM, a copy of which is enclosed for your convenience. For example, paragraph 6, titled WARRANTY, contains a representation and warranty that “the Products shall not infringe on any patent, trademark, trade secret, or other intellectual property right of HTC or any third party.” In addition, paragraph 7, titled INDEMNITY, contains an obligation for STM to

defend ..., indemnify and hold HTC and HTC Related Parties harmless from and against all proceedings, governmental actions, claims, liabilities, fines, losses, damages, costs and/or expenses (including reasonable attorney’s fees), whether direct or indirect, arising from or relating to a claim brought by a third party claiming or alleging that the manufacture, use, sale, and/or distribution of the Products constitutes infringement,

violation or misappropriation [of] an intellectual property right or other proprietary right of such third party.

Please acknowledge your receipt of this letter and acceptance of STM's defense, indemnity, and hold-harmless obligations as soon as possible. We look forward to working with you in addressing these issues in a cooperative and efficient manner. Thank you in advance for your prompt response.

Very truly yours,



Owais Siddiqui
Executive Patent Litigation Director

Enclosures (5)

cc: James Yoon, Esq., HTC's outside counsel (jyoon@wsgr.com)

廠商	裝運至
STMS	宏達國際電子股份有限公司
STMicroelectronics Asia Pacific	No.23, Xinghua Rd., Taoyuan
Pte Ltd	City,
聯絡處:	330 TAOYUAN COUNTY
電話:	TAIWAN
傳真:	

採購者	
採購者	黃淑貽_93562
電話	
遞送訊息	
國貿條件	: CIF(成本、保險和運費) /TPE
Airport	
付款條件	: End of month 45 days
貨幣單位	: USD
	End of month 45 days

項次	請購單編號	料號及品名規格	交貨日	單位	數量	單價	稅率	金額	倉庫	聯絡處
10		30H80366-00M A Controller, STM32F411CEY6TR, WLCSP, ST, 85/-	1.12.2017	EA	45,000.00	0.870000	0.00	39,150.00	9000	黃淑貽

注意事項：隨貨附發票及送貨單，或未註明本公司訂單號碼及項次，若延誤貴公司貨款本公司不負任何責任。

- (1) 發票地址 :
- (2) 統一編號 :

Terms and Conditions of Purchase Order for HTC Corporation

1. The Supplier agrees to accept the terms and conditions of this Purchase Order by (i) confirming the Purchase Order in two calendar days via email, facsimile or other electronic means, (ii) signing back the original copy to HTC Procurement department within seven calendar days or (iii) shipping the Products to HTC designated place on the shipment date stated herein. The terms and conditions of this Purchase Order shall apply to any and all supply of any kind of product by the Supplier to HTC unless otherwise governed by other written agreement. HTC will only pay for the Products in accordance with the payment terms set forth in the Purchase Order or the applicable supply agreement.
2. The terms and conditions stated herein, including quantity, unit price, payment terms, payment date, etc. shall not be changed without HTC's prior writing consent.
3. In the event that Supplier fails to deliver the quantities of Products according to this Purchase Order, Supplier shall pay HTC on a daily basis an amount equal to three (3) percent of total purchase price of such delayed Products as delay charges and HTC may deduct such amount from the purchase price to be paid to Supplier. The Supplier shall also be liable to HTC for any possible damages and losses that occur as a result of such shipment delay. In addition to the damages and losses, HTC shall have the right to cancel the delayed Products, in whole or in part, without incurring any liability towards the Supplier.
4. Supplier is under obligation to deliver products complying with HTC inspection standard, and HTC reserves the right to perform Incoming Quality Control ("IQC") and/or Outgoing Box Audit ("OBA"). The applicable "Failure Rate" is (i) 100 Defective Parts Per Million ("DPPM") for electrical engineering (EE) parts, (ii) 600 DPPM for mechanical engineering (ME) parts, and (iii) 1200 DPPM for ME parts with CNC processes. In the event that the HTC IQC and/or HTC OBA failure rate of the Products exceeds 50% of the Failure Rate, Supplier shall immediately implement a recovery plan (together with HTC if required) in order to resolve the problems within three (3) working days. If the IQC and/or OBA failure rate of the Products exceeds the Failure Rate, HTC shall be entitled to order Supplier to stop shipments immediately, create a taskforce with both Supplier and HTC experts in order to agree on a short-term solution within one (1) working day.
5. Epidemic Failure: In the event where the estimated product return rate exceeds 1% on one (1) single cause ("Epidemic Failure"), HTC shall be entitled to cancel any or all orders of such Product and return any or all such purchased Products. In such an event, Supplier shall be required to pay a breach penalty of 10% of the total retail value of such returned/cancelled Product and shall otherwise compensate HTC for all of its damages and costs incurred as a result of or in connection with such Epidemic Failure.
6. WARRANTY: Supplier represents and warrants that, for a period as stipulated in this Purchase Order or, in the absence of such stipulation, for a period of one (1) year after the date of HTC's acceptance of the Products ("Warranty Period"), each Product supplied hereunder shall (a) be new (except agreed otherwise with HTC), free from epidemic issues and with a defect rate not higher than the Failure Rate set forth herein, (b) comply with the specification agreed by the Parties, and (c) shall be free from any defect in design, material and workmanship. In addition, Supplier represents and warrants that the Products shall not infringe on any patent, trademark, trade secret, or other intellectual property right of HTC or any third party. Supplier

Terms and Conditions of Purchase Order for HTC Corporation

further represents and warrants that its Products and its manufacturing sites shall be in compliance with all applicable laws, rules, orders, and regulations, including but not limited to RoHS, WEEE, SAR and other environmental protection rules. Supplier represents and warrants that all Products supplied to HTC do not contain conflict minerals and their derivatives as defined by the United States, the European Union or other government or intergovernmental organization as applicable. In the event any Product delivered is not in conformity with any of the warranties, Supplier shall, at HTC's option and at Supplier's expense, repair or replace the defective Products or return the purchase price plus interest, and Supplier shall compensate HTC for all expenses or damages incurred therefrom.

7. INDEMNITY

(a) Supplier agrees to defend (upon HTC's request therefor), indemnify and hold HTC, its affiliates, and each of their respective directors, officers, employees, agents, contractors and customers ("HTC Related Parties") harmless from and against all proceedings, governmental actions, claims, liabilities, fines, losses, damages, costs and/or expenses (including reasonable attorney's fees), whether direct or indirect, arising from, related to or in connection with (i) the inaccuracy, misrepresentation or breach of any representation or warranty made by Supplier hereunder; (ii) any breach of this Agreement by Supplier; (iii) any product liability claim against HTC and attributable to the Products, or (v) the violation of any applicable law or regulation.

(b) Supplier shall defend (upon HTC's request therefor), indemnify and hold HTC and HTC Related Parties harmless from and against all proceedings, governmental actions, claims, liabilities, fines, losses, damages, costs and/or expenses (including reasonable attorney's fees), whether direct or indirect, arising from or relating to a claim brought by a third party claiming or alleging that the manufacture, use, sale, and/or distribution of the Products constitutes infringement, violation or misappropriation of an intellectual property right or other proprietary right of such third party.

8. Supplier agrees to take responsibility for any damage incurred by the loss or improper transfer of documentation or sample provided by HTC.

9. Supplier is prohibited from subcontracting or selling to other companies the tooling, design materials owned by HTC without HTC's prior written consent.

10. HTC may reschedule the shipment date or redirect the delivery address of any undelivered Products multiple times without any charge or liability. HTC may cancel all or any part of the Products ordered hereunder at any time without any liability.

11. The terms and conditions form part of the purchase order and supersede any oral purchase agreement previously made.

12. This Purchase Order shall be governed exclusively by the substantive laws of Taiwan, Republic of China, regardless of its conflict of law doctrine. Any dispute or controversy in connection, related to or arising out of this Purchase Order shall be subject to the exclusive jurisdiction of the District of Taipei City, Taiwan, Republic of China.

13. The HTC part number suffixed as "P" or "M" is compliant with HTCHSF (Hazardous Substance Free) requirements. Supplier shall provide parts/material in accordance with HTC part number and HTC HSF requirements.